

**ALAMEDA GOLF COMMISSION
MINUTES OF REGULAR MEETING**

Wednesday, April 15, 2009

1 CALL TO ORDER

Chair Jane Sullwold called the regular meeting to order at 6:30 p.m. at the Chuck Corica Golf Complex, Ladies Lounge, 1 Clubhouse Memorial Road, Alameda, CA 94502

1-A ROLL CALL

Present: Chair Jane Sullwold, Commissioner Ray Gaul, Commissioner Betsy Gammell, and Secretary Jeff Wood

Absent: Vice Chair Bill Schmitz and Commissioner Bill Delaney

Staff: John Vest, General Manager, and Matt Wisely, Superintendent
Also present: Councilmember Doug DeHaan, and Interim City Manager Ann Marie Gallant

1-B APPROVAL OF MINUTES

The Commission unanimously approved the minutes of the Golf Commission meeting on March 18, 2009.

1-C ADOPTION OF AGENDA

The Commission adopted the agenda unanimously.

2 ORAL COMMUNICATIONS

None

3 COMMISSION COMMUNICATIONS

Chair Sullwold reported on the City Council meeting on April 7, 2009. Jim Stegall from Kemper Sports made a presentation regarding (1) what Kemper has accomplished at the Golf Complex during its first months of management, (2) a gloomy projection for the golf industry nationwide, and (3) a recommendation that the Mif Albright course remain closed. The Golf Commission had asked Kemper to prepare a written report analyzing the economic feasibility of re-opening the Mif, but City staff directed Kemper not to do so. Accordingly, no such report was presented to Council. During the public comment period, 22 citizens spoke in favor of re-opening the Mif course. Particularly compelling was the presentation by the teenage members of the Alameda High School girls' golf team and their coach, Stephen Burnett (see item 4A, below).

Following the meeting, the Chair prepared a letter to Ann Marie Gallant, Interim City Manager, reporting the actual results for the last nine months of this fiscal year and showing that, contrary to the general industry trends cited by Mr. Stegall, rounds and revenues at the Golf Complex had increased over the comparable period last year. As a result, the first nine months of the fiscal year have generated an operating profit of \$330,000, as compared to an operating loss of \$144,000 at the same point last year. The letter noted that the positive financial results at the Golf Complex have been more than offset by the City's draw of nearly \$1 million off the top of golf revenue, which has caused the Enterprise Fund to be depleted in the amount of \$522,000 for the first nine months of the current fiscal year. Finally, the letter sought clarification from Ms. Gallant on two expense items. The first was the extraordinarily high payment of \$228,000 to the City in March. (For Ms. Gallant's response, see 4-B below). The second was the continued allocation of costs to the Golf Complex for City services now being provided by Kemper, in particular the 1/3 of the Recreation and Park Director's compensation. (A copy of the letter is attached.)

4 AGENDA ITEMS

4-A Analysis of Mif Albright Course

As indicated above, the Junior golfers who spoke at the April 7 City Council meeting were extremely persuasive, and created optimism among the Golf Commission members in attendance. Chair Sullwold reported that she, Norma Arnerich, Barbara Wood, and Joe VanWinkle will meet with Interim City Manager Ann Marie Gallant on Friday afternoon to discuss the future of the Mif Albright course. She stated that her recommendation would be to ask the City to reopen the Mif for the summer and fall, giving it and the Golf Commission time to assess what should be done on a long term basis, including management by a non-profit corporation. Chair Sullwold indicated her belief that the course could be brought back to a playable, if not necessarily ideal, condition with a relatively minimal expenditure of capital.

4-B Update on Effect of Rate Increases

Bob Sullwold stated that in March 2009 rounds decreased by 29% over the same period last year, possibly due to the fact that there were no rain days in March 2008 and 5 rain days in March 2009. Revenues declined by a lower percentage, due to rate increases. In fact, there was an operating profit of \$14,000 and a positive cash flow of \$88,000 for the month. For the first nine months of the fiscal year, the total operating profit was \$330,000 and total net cash flow was \$558,000. Total rounds played on the courses open for the respective nine-month periods this year and last increased by 4.15% and total revenues from green fees and monthly passes increased by 5.55%. Asked about the extraordinary payment to the City in March, Interim City Manager Ann Marie Gallant advised that the City's cash flow crisis caused the City to draw down in March 2009 the unexpended amounts budgeted for the fiscal year from each department counted upon to transfer funds to the City's

general fund. This explains why the Golf Complex has now paid 100% of the budget for PILOT/ROI and “transfers to other funds.” (The other payment to the City, the “Surcharge,” depends on the number of rounds actually played at the rates that include the surcharge). Ms. Gallant stated that, barring unforeseen circumstances, there would be no further charges for PILOT/ROI and “transfers to other funds” this fiscal year.

5 ORAL REPORTS

5-A Golf Shop and Driving Range activities report by John Vest

General Manager John Vest stated that T. K. Miyazano, Golf Shop Assistant, has officially become a PGA Apprentice. Mike Winkenbach is in charge of tournament sales, which have increased by about \$5,000 this year. Starting May 1, 2009, the golf complex will be participating in Mindshare, which sends out an email blast to someone who has just played to get feedback. New range balls have been purchased. For the month of April, as a Masters special, players who request a tee time and use the words “Amen Corner”, receive a deal of \$35 per player between 11:00 AM and 1:00 PM, including golf cart and a sleeve of golf balls.

5-B Golf Complex Maintenance activities report by Matt Wisely

Superintendent Matt Wisely stated the greens on the Clark Course will be aerified April 20 and 21. New yardage stakes have been installed on both the Fry Course and the Clark Course at 100 and 200 yards. New bunker rakes have been installed on most holes and the rest will be done by the end of the week. Two of the City staff employees will be moving to the Rec and Park department on May 11, and another employee will be retiring on May 28. Kemper will be hiring new workers as necessary.

5-C Beautification Program and Junior Golf Club by Mrs. Norma Arnerich

Mrs. Arnerich stated that on May 16, the Junior Golf Club will hold its first meeting with the youngsters, and following that they will play a tournament with a parent or other adult.

5-D Golf Complex Restaurant Report, Jim’s on the Course

Dimitrius from Jim’s on the Course stated that the restaurant has purchased new chairs and will be recarpeting shortly.

6. COMMISSIONERS’ REPORTS

6-A Marketing and Promotions, Commissioner Gammell

Previously discussed (see 5-A)

6-B Golf Complex Financial Report, Commissioner Delaney

Previously discussed (see 4-B)

6-C Maintenance, Buildings, Security, Albright Course and Driving Range, Secretary Wood

The Commission discussed the problem of players sneaking onto the course without paying, and what steps are being taken to stop this. Also, the golf shop staff must be trained to ask for identification when golfers are using monthly passes, so as to eliminate the possibility of golfers allowing others to use their cards.

7. ORAL COMMUNICATIONS, NON-AGENDA (Public Comment)

Bob Sullwold commented on the failure of the Alameda Sun, its report of the April 2 Council meeting, to mention any of the speakers who endorsed re-opening and stated that he wrote a letter to the editor questioning the paper's editorial judgment.

8. OLD BUSINESS

None

9. WRITTEN COMMUNICATIONS

Included in the Commission packet was a memorandum to the Finance Department showing a surcharge payment for March 2009 of \$7,913. The year-to-date total to the General Fund is \$98,200 for the fiscal year 2008/2009.

10. ITEMS FOR NEXT MEETING'S AGENDA

- Discussion of Mif Albright course
- Update on effect of rate increases
- Report on Commuters Golf Tournament

11. ANNOUNCEMENTS/ADJOURNMENT

The meeting was adjourned at 7:35 p.m.

The agenda for the meeting was posted 72 hours in advance in accordance with the Brown Act.